

SYSTEM AND METHOD OF DYNAMIC KEY GENERATION
FOR DIGITAL COMMUNICATIONS

ABSTRACT OF THE DISCLOSURE

An encryption system and method for generating encryption keys between
5 sender and receiver for a symmetric-key encryption system begins with an initialization
step on both ends of the communication channel, in which a initialization string is
exchanged between sender and receiver by secure methods. Thereafter, a pseudo-
random-function generator operating on the initialization string is used to generate a
master recovery key at both ends. The master recovery key is operated on by a
10 succession of pseudo-random-function generators to produce an encryption key, which
is used to encrypt data at the sender, creating ciphertext, and decrypt at the receiver.
After a block of ciphertext is transmitted and received, a new encryption key is
generated by subjecting the master recovery key to another pseudo-random-function,
and adding entropy by means of still another pseudo-random function operating on the
15 current ciphertext. The method also provides error correction and detection on two
levels, detecting transmission errors on one level, and loss of synchronization on
another level. Errors in synchronization without errors in transmission are used to
detect intrusion by unauthorized communications.